

The Impact of Human Resource Management (HRM) and Talent Management in Improving Employee Performance in Footwear Manufacturing Companies

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ABSTRACT:

There are still many companies that do not understand the impact of Human Resource Management and Talent Management on employee performance in a Footwear Manufacturing Company. Globalization and increasingly tight business competition require manufacturing companies to manage Human Resources and talents effectively in order to achieve efficiency, innovation, and competitive advantage. So researchers are interested in conducting research with the title of the impact of human resource management (HRM) and talent management in improving employee performance in footwear manufacturing companies. With the research variables to be analyzed Human Resource Management X1, Talent Management X2, on Employee Performance as dependent variables. The results of the study can be seen from the multiple correlation level value obtained of 0.785, indicating that the correlation level obtained has a strong influence. The coefficient of determination value in this study is 0.616, meaning that Human Resource Management X1, Talent Management X2, on Employee Performance in footwear manufacturing has an influence of 61.6% and while the remaining 38.4% is influenced by other variables not included in this study. Meanwhile, the results of the F test, namely the simultaneous hypothesis, show a significant influence because $F_{count} > F_{table}$ ($462.498 > 3.280$).

Keywords: Human Resource Management, SPSS, Talent, Employee Performance

I. INTRODUCTION

Tight and dynamic business competition, manufacturing companies face major challenges to stay relevant and competitive, this aims to achieve efficiency, innovation, and competitive advantage. In the midst of these challenges, humans become the most valuable asset for the organization. In line with (Asiaei, K., Salleh, Z., & Hussain, n.d.) Human Resource Management has an important role in determining environmental performance within an organization, able to participate in everything from strategic decision making, training, employee recruitment, compensation (Karmawan et al., 2015), performance appraisal and even

employee development (Santi et al., 2024). Companies can achieve strategic goals by ensuring that their human resources are managed effectively and efficiently (Larasati, 2018).

Some of the strategic roles of Human Resources in an organization include strategic planning of Human Resources itself (Santi et al., 2023), Organizational Culture Development, Organizational performance improvement, Leadership development, Organizational change, and Competitive advantage development (Kamar et al., 2020). The key factor of success comes from the talent or talent that each individual has. Because every human being can create ideas that lead to skills or abilities in a particular field. So this can bring about effective change in the organization.

Talented individuals are strategic assets for companies, with skills or talents that match the needs will increase the company's competitiveness. Therefore, maintaining and recruiting talented employees is very important in an organization known as the concept of talent management. Talent management has been proven to provide significant benefits for companies around the world, as well as in Indonesia, many companies employ experts to manage and implement talent management in their companies. Many business organizations focus on wanting to have employees with special abilities because the business world is becoming increasingly competitive with the presence of individuals with special skills (talented).

The challenge of talent management is often how much companies can retain their best employees. According to research (Harmen, 2018), Human Resource Management (HRM) and Talent Management have emerged as strategic approaches and are vital tools in improving employee performance and maintaining competitive advantage in a company.

Therefore, based on the author's description, the aim of this study is to determine the impact of the role of Human Resource Management and Talent Management in improving employee performance in footwear manufacturing companies. Based on the description of the research background above, the author can identify the Problem Formulation in this study as follows;

- a. How does Human Resource Management affect Employee Performance in footwear manufacturing companies?
- b. How is Talent Management implemented and impacts Employee Performance in footwear manufacturing companies?
- c. How does the interaction between Human Resource Management and Talent Management affect employee performance in footwear manufacturing companies?

The purpose of this research is to determine the influence of the role of Human Resource Management (HRM) on employee performance in footwear manufacturing companies. To determine the influence of talent management on employee performance in footwear manufacturing companies and to determine the influence of the role of Human Resource Management (HRM) and talent management together on employee performance in footwear manufacturing companies.

II. LITERATURE REVIEW

Human Resource Management is a part of general management that involves planning, organizing, implementing, and controlling (Fathoni, 2016). The importance of human resources is increasing because the achievement of organizational goals depends on experience and research in the field of human resources that is systematically collected (Susan, 2019). Management here refers to the body of knowledge about how to manage human resources.. (Veithzal Rivai dkk, 2004).

Optimal Human Resource Management Goals and Scope requires clear goals at various levels. Starting from personal goals, then moving up to functional goals, continuing with organizational goals, and finally achieving community service goals both nationally and internationally (Nurul Ulfatin dan Teguh Triwiyanto, 2016).

Personal Objectives that involve helping individuals to achieve desired goals. They range from technical to aspirational. Functional Objectives. They are a way to maintain effective human resource contributions in an organization (Susan, 2019). Organizational Objectives related to the effectiveness of an organization, reflected in the achievement of organizational performance and productivity. Community Objectives to meet the needs and challenges that arise in society. (Goestjhanti et al., 2024), so that the company is expected to be able to provide benefits and advantages to the surrounding community.

Talent is a combination of skills, abilities, and aptitudes that enable individuals to perform their roles effectively. (Armstrong, 2012). Talent management aims to ensure that organizations have talented individuals to achieve corporate goals, preparing human resources that are essential for corporate competitiveness. Talent is a benchmark for optimally utilizing human resources, increasing competitiveness in the business world (Nabawi, 2020 C.E.) (Berger, Lance A. & Berger, 2008) adding that talent management involves identifying career patterns, development, reward programs, determining key positions, and dividing the talent pool

Adhari (2020:77) explains that employee performance is the result of job functions or activities carried out in a particular job during a certain period of time. Employee performance is reflected in the quality and quantity of work produced. In other words, employee performance can be measured by how well and how much work they have managed to do in their jobs.

2.1. Hypothesis

The problem statement is a response to the formulation of the problem in a paper. In the description of the problem, the following conditions can be raised.

H01 : $P = 0$: It is suspected that there is no influence of Human Resource Management on employee performance

Ha1 : $P = 0$: It is suspected that there is an influence of Human Resource Management on employee performance

H02 : $P = 0$: It is suspected that there is no influence of Talent Management on employee performance

Ha2 : $P = 0$: It is suspected that there is an influence of Talent Management on employee performance

H04 : $P = 0$: It is suspected that there is no influence of Human Resource Management and Talent Management on employee performance

Ha4 : $P = 0$: It is suspected that there is an influence of Human Resource Management and Talent Management on employee performance

Based on the results developed by experts and previous studies, the following conclusions are formulated by the study:

- a. There is an influence of Human Resource Management (X1) on employee performance (Y)
- b. There is an influence of Talent Management (X2) on employee performance (Y)
- c. There is an influence of Human Resource Management (X1), Talent Management (X2) on employee performance (Y)

III. METHODS

This study uses a quantitative approach because this method allows researchers to collect data systematically. (Sugiono, 2017). The population in this study was shoe industry employees with 35 respondents. The sampling technique used is the saturated sampling technique, where the entire population is taken and used as a sample (Kemsley et al., 2019). Data were collected through questionnaires and observations, via Google Form. The questionnaire used was tested for validity and reliability to ensure that the instrument could measure the variables studied consistently and accurately. This analysis uses SPSS Version 26 with the stages of Validity Test, Reliability, Descriptive Analysis, Multiple Correlation Test, Kd Test (Coefficient of Determination) Simultaneous Regression, Multiple Regression Test and T and F Hypothesis Test.

IV. RESULTS

Data were collected through questionnaires and observations, via Google Form. The questionnaire used was tested for validity and reliability to ensure that the instrument could measure the variables studied consistently and accurately. This analysis uses SPSS Version 26 with the stages of Validity Test, Reliability, Descriptive Analysis, Multiple Correlation Test, Kd Test (Coefficient of Determination) Simultaneous Regression, Multiple Regression Test and T and F Hypothesis Test.

Table 1 Validity Test

Item Kuisisioner	R Hitung	R Tabel (Sig. 5%)	Keterangan
X1.1	0.482	0.034	Valid
X1.2	0.450		Valid
X1.3	0.659		Valid
X1.4	0.663		Valid
X1.5	0.619		Valid
X1.6	0.641		Valid
X1.7	0.807		Valid
X1.8	0.175		Valid
X1.9	0.203		Valid
X1.10	0.738		Valid
X2.1	0.372	0.034	Valid
X2.2	0.327		Valid
X2.3	0.531		Valid
X2.4	0.656		Valid
X2.5	0.390		Valid
X2.6	0.439		Valid
X2.7	0.421		Valid
X2.8	0.245		Valid
X2.9	0.186		Valid
X2.10	0.557		Valid
Y1	0.488	0.034	Valid
Y2	0.342		Valid
Y3	0.526		Valid
Y4	0.560		Valid
Y5	0.456		Valid
Y6	0.583		Valid
Y7	0.456		Valid
Y8	0.583		Valid
Y9	0.246		Valid
Y10	0.594		Valid

Reliability testing is a measurement of whether a questionnaire is consistent or not in the research used. A variable is considered reliable if the resulting variable value is greater than > 0.060. Tabel 2 Uji Relibilitas

Table 2. Reliability Test

Reliability Statistics	
Cronbach's Alpha	N of Items
.620	10

Based on the results of the reliability test of 10 items, Cronbach's Alpha was obtained at 0.620, higher than the basic value of 0.620 > 0.060. So it can be concluded that all questionnaire items in this study are stated as Reliable. The correlation test aims to test the linear association (relationship) between two variables. Correlation does not show a functional relationship in other words, correlation analysis does not distinguish between dependent variables and independent variables.

Table 3. Correlation Test

Model Summary				
Model	R	Adjusted R	Std. Error of	
	Square	Square	the Estimate	
1	.785 ^a	.616	.591	1.26020

a. Predictors: (Constant), Manajemen HR, Manajemen Talenta

Based on the calculation of the SPSS version 26 program above, it can be seen in the R coefficient. The R value obtained is 0.785, which can be concluded that the relationship between Human Resource Management (X1), Talent Management (X2), and Employee Performance (Y) is stated to be strong because it is at the interval level (0.60 - 0.799).

4.1. Coefficient of Determination Test

Based on the calculation of the SPSS version 26 program above, it can be seen in the R coefficient. The R value obtained is 0.785, which can be concluded that the relationship between Human Resource Management (X1), Talent Management (X2), and Employee Performance (Y) is stated to be strong because it is at the interval level (0.60 - 0.799)

Table 4. Test of Determination Coefficient

Model Summary				
Model	R	Adjusted R	Std. Error of	
	Square	Square	the Estimate	
1	.785 ^a	.616	.591	1.26020

a. Predictors: (Constant), Manajemen HR, Manajemen Talenta

Based on the results of Spss, Showing R Square of 0.616 means that the coefficient value of the variable determination of the Human Resource Management variable (X1), Talent Management (X2), on Employee Performance (Y) has an effect of 61.6% while the remaining 38.4% is influenced by other factors. Reegression is used to predict how far the value of the independent variable (bound) if the value of the independent variable (free) is manipulated or increased or decreased. The benefit of the results of the reegression analysis is to make

decisions whether the increase and decrease of the deepened variable can be done through increasing the independent variable or not.

Table 5. Regression Test

Model		Coefficients ^a		Beta	t	Sig.	
		Unstandardized					Standardized
		B	Std. Error				Coefficients
1	(Constant)	4.545	7.904		.575	.000	
	Manajemen	.876	.123	.789	7.114	.000	
	Talenta						
	Manajemen HR	.527	.094	.322	2.288	.000	

Dependent Variable: Kinerja Karyawan

Based on the results of multiple regression tests of the variables Human Resource Management (X1), Talent Management (X2), on Employee Performance (Y), it can be concluded that the equation is:

$$Y = a + b_1X_1 + b_2X_2$$

$$Y = 4.545 + 0,876 (X_1) + 0,527 (X_2)$$

Based on the equation, it can be concluded as follows:

- The coefficient value is 4.545, this states that if Human Resource Management (X1), Talent Management (X2), is 0 (zero), then the level and magnitude of Employee Performance is 4.545%.
- The regression coefficient value is 0.876, then each additional Human Resource Management variable (X1) then the level and magnitude of Employee Performance is 87.6%.
- The regression coefficient value is 0.527, then each additional Talent Management variable (X2) then the level and magnitude of Employee Performance is 52.7%.

4.2. Hypothesis Test

1. Partial Test (T-Test)

Describes the extent to which one independent variable, taken separately, provides a contr

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- The regression coefficient value is 0.876, then each additional Human Resource Management variable (X1) then the level and magnitude of Employee Performance is 87.6%.
- The regression coefficient value is 0.527, then each additional Talent Management variable (X2) then the level and magnitude of Employee Performance is 52.7%.% degree of freedom (df) = n-k, or 35-3 = 32, the test is done by comparing the calculated t value with the t table value (n is the number of samples and k is the number of variables in the study). The ttable value of 1.694 was produced from a (one) sided test with a significance of 5% or 0.05, producing the following hypothesis test results:

Test of Variable X1 (Human Resource Management) Against Y (Employee Performance)

Table 6. T-test of Variable X1 against Y

Model		Coefficients ^a		Beta	t	Sig.	
		Unstandardized					Standardized
		B	Std. Error				Coefficients
1	(Constant)	22.142	2.004		11.047	.000	
	Manajemen HR	1.305	.120	.912	12.746	.000	

a. Dependent Variable: Kinerja Karyawan

The Human Resource Management variable X1 has a sig value of 0.000, indicating that the value is below the significant level ($0.000 < 0.05$), and partial testing of the independent variable produces a t-count of 12.746 which is greater than the t-table ($12.746 > 1.694$). Thus, it can be said that where H0 is rejected, H1 is accepted, which indicates a significant influence of the independent variable Human Resource Management (X1) on Employee Performance (Y) Hasil Uji t Debt to Asset Ratio (X2) Terhadap Return On Asset (Y)

Table 7. T-test of variable X2 against Y

Model		Coefficients ^a		Beta	t	Sig.	
		Unstandardized					Standardized
		B	Std. Error				Coefficients
1	(Constant)	6.308	5.732		1.062	.296	
	Manajemen Talenta	.871	.120	.784	7.253	.000	

a. Dependent Variable: Kinerja Karyawan

The Talent Management variable X2 has a sig value of 0.000, indicating that the value is below the significant level ($0.000 < 0.05$) based on partial testing on the independent variable. This results in a t-count value of 7.253 which is greater than the t-table ($7.253 > 1.694$). Therefore, it can be said that H0 is rejected and H1 is accepted, indicating a significant influence of the independent variable Talent Management (X2) on Employee Performance (Y).

2. Simultaneous Test (F Statistic Test)

This test determines whether the dependent variable is simultaneously influenced or not by the independent variable, Degrees of freedom (df) N1 = k-1, thus $3-1 = 2$, (df) N2 = n-k, which is $35-3$ (n is the number of samples and k is the number of variables) compared to the F-table at a significant level of 5% to conduct the test. This produces an F-table value of 3.280.

Table 8 F Test (Simultaneous)

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	132.126	2	66.063	462.498	.000 ^b
	Residual	.046	32	.001		
	Total	132.171	34			

a. Dependent Variable: Kinerja Karyawan

b. Predictors: (Constant), Manajemen HR, Manajemen Talenta

The following are the findings of the hypothesis test based on the previous table: With a Sig. value of 0.000, the value is smaller than the significance level of 0.05 (5%), or $0.000 < 0.05$. Furthermore, the F-count value of 462.498 is greater than the F-table (3.280) when compared to the F-table value. Based on the criteria that H_0 is rejected and H_3 is accepted if $F\text{-count} > F\text{-table}$, it can be concluded that talent management (X2) and human resource management (X1) together have a major influence on employee performance (Y).

V. DISCUSSION

After conducting testing and analyzing the research, based on the results of the analysis and discussion that has been carried out with data processing using SPSS Version 26, the following conclusions can be drawn:

- a. There is a significant influence between Human Resource Management (X1) and significant influence on Employee Performance (Y) with $t\text{-test} = 12.746 > 1.694$ t-table and contribution of influence of 83.1%. Positively and significantly influential, which means one direction means the higher Human Resource Management, the Employee Performance will also increase and vice versa.
- b. There is a significant influence between Talent Management (X2) on Employee Performance (Y) with $t\text{-test} = 7.253 > 1.694$ t-table and contribution of influence of 61.5%. Positively and significantly influential. Positive which means one direction means the higher Talent Management, the Employee Performance will also increase and vice versa.
- c. There is a significant simultaneous influence between Human Resource Management (X1) and Talent Management (X2) on Employee Performance (Y) with F count = $462.498 > 3.280$ F-table and the contribution of the influence of the two variables on Employee Performance (Y) is 61.6%, while the remaining 38.4% is influenced by other factors..

This study has several limitations, namely the analysis factor to understand employee performance is limited to 2 variables, Human Resource Management and Talent Management, there are many factors that can affect employee performance that are not examined in this study. Relying on questionnaires as the only source of data may produce a picture that is not entirely complete or accurate of the actual situation. Therefore, it is important to expand the data collection method by adding interview object data to gain deeper and more comprehensive insights into the topic being studied.

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